



SKECHERS USA ITALIA

AUTOMATING INVOICING AND MUCH MORE WITH SAP® BUSINESS ONE

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Giampaolo Stella, Financial Controller, Skechers USA Italia s.r.l.

QUICK FACTS

Company

- Name: Skechers USA Italia s.r.l.
- Location: Milan, Italy
- Industry: Consumer products
- Products and services: Shoes
- Revenue: €11.5 million
- Employees: 15
- Web site: www.it.skechers.com
- Implementation partner: InformEtica Consulting s.r.l.

Challenges and Opportunities

- Support the needs of a small but rapidly growing business
- Reduce labor requirements and opportunities for human error
- Cut printing and postage costs
- Enhance company image with customers
- Provide sales details to management in a convenient form for better decision making

Objectives

Implement a solution appropriate for a small company from a trusted vendor

SAP® Solutions and Services

- SAP® Business One application
- SAP Crystal Reports® software
- SAP Crystal Dashboard Design software

Implementation Highlights

- Developed interfaces to parent company's enterprise resource planning systems
- Completed implementation in 6 months, on schedule and within budget

Why SAP

- Reputation of SAP
- Previous experience with SAP software
- Suitability for a small company
- Flexibility and ability to be readily customized
- Scalability to meet growth expectations

Benefits

- Reduced labor requirements for invoice printing and mailing by 2 to 3 hours per day
- Cut invoice printing costs by 10%
- Decreased postage costs for invoices by 10%
- Eliminated risk of human errors in mailings
- Allowed better use of space on invoice pages, reducing paper consumption while enabling personalization
- Provided a single, consistent view of all company operations
- Supported exponential growth
- Provided sales insights leading to better stocking and product placement decisions
- Enabled mass mailings 3 to 4 times per year

Third-Party Integration

InviOne from InformEtica

Skechers USA Italia s.r.l., the Italian subsidiary of shoe manufacturer Skechers USA, is enjoying the same exponential sales growth as its parent. Skechers USA Italia uses the SAP® Business One application, along with InviOne from SAP partner InformEtica Consulting s.r.l., to run its operations. “SAP Business One is a single, consistent source for all the functionality and information we need,” says Giampaolo Stella, the firm’s financial controller. “With InviOne, it also saves us substantial time and cost on one of our biggest tasks – invoicing.”

The Right Choice for Today and Tomorrow

With its trendy, ergonomic footwear selection of over 3,000 styles for men, women, and children, Skechers USA has enjoyed spectacular success all around the world. As it grew swiftly to become today’s billion-dollar-plus company, Skechers USA opened subsidiaries in many countries to manage local sales and distribution. Like many of these subsidiaries, Skechers USA Italia became an instant success by introducing the Skechers brand to the fashion-conscious people of its nation.

From the outset, Skechers USA Italia realized it needed strong business software to run its operations. The company hired Stella not only to oversee finances but also to select and install a business management application. “I had just been involved in a major SAP software implementation for a big company here in Milan and had developed a deep respect for SAP,” Stella recalls. “But Skechers USA Italia was

a much smaller firm that could not justify the same application. Fortunately, SAP had just released SAP Business One, which was an excellent fit for a company our size. We examined its functionality and found that it addressed all the needs we had at the time, plus it had the scalability to continue supporting us during and after the fast growth we expected.”

Besides all the typical requirements of a small business, Skechers USA Italia had one highly specific need for its new software: the ability to readily interface with a pair of non-SAP enterprise resource planning (ERP) applications used by the parent company. “SAP Business One has the flexibility to be easily customized for purposes like interfacing,” Stella reports. “That was another reason we selected it.”

A Fast, Smooth Implementation

InformEtica, with its SAP Business One experience and InviOne offering, was a clear choice as Skechers USA Italia’s implementation partner. By combining the

company’s SAP software expertise with his own recent experience, Stella oversaw a smooth, fast implementation. The team installed SAP Business One, integrated it with InviOne, and developed the two interfaces to the parent company’s ERP systems. “We had a lot to accomplish, but we finished in just six months, right on schedule and within budget,” Stella says. “SAP Business One proved to be just as flexible as we expected.”

The Invoicing Process, Before and After

One of Skechers USA Italia’s first tasks with the new software was to automate its invoicing process, which had been very labor intensive. The process begins with the transmission from the parent company to the subsidiary of a large PDF file containing all the data for a batch of invoices to be mailed to customers in Italy. Before SAP Business One, employees had to manually split up this large file into smaller PDF files containing individual invoices, print them and their envelopes,



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insert the invoices into the envelopes, apply postage, and mail them. All invoices had to be printed a second time as well for archiving, a company requirement. As the business grew, this process became more and more burdensome. Not only was it consuming many hours of employee time every day, but there were too many opportunities for invoices to be sent to the wrong customer due to human error.

To overcome these problems, Skechers USA Italia wanted to take advantage of a printing and mailing service called PT Postal that is offered by Poste Italiane, the Italian postal service. Due to the popularity of this service and the volume of business it has attracted, Poste Italiane can print and mail documents much more efficiently than any small company and therefore offers attractive pricing. The cost was much less than Skechers USA Italia was spending on direct labor, process management, paper, and printer wear and tear. Furthermore, since it performs bulk mailing, Poste Italiane charges

individual invoices from the large PDF files and transmit them electronically to Poste Italiane, completely automating the process. Furthermore, the company took advantage of InviOne functionality to make more effective use of page space to reduce the number of pieces of paper that had to be printed and mailed, for further savings on materials and postage. The firm even used this functionality to personalize the invoices, which has had a positive effect on its corporate image among customers.

“Automating our invoicing process with SAP Business One has been a big win in every way,” summarizes Stella. “We have saved time, saved costs, saved trees, and improved customer service.”

A Single, Unified Solution for a Growing Company's Needs

Invoicing is just one of the many functions that Skechers USA Italia has streamlined and automated with SAP Business One.

shows, and uses the SAP Business One and InviOne combination for the mass mailings they entail. Skechers also uses SAP Crystal Reports® software for reporting and SAP Crystal Dashboard Design software for presentation of sales statistics to management. “They are both good tools. I especially like the user-friendliness and ease of report customization that we get with SAP Crystal Reports,” says Stella. He adds, “SAP Business One helps us in many specific ways, but I believe the biggest benefit of all is that it supports everything we do as a business in a unified, integrated, consistent way. It gives us a clear view of the entire company and where we are going.”

Skechers USA Italia is continuing its sharp growth path with no end in sight. Its revenues are expected to nearly double in the next year. So will its invoicing volume, which has already grown to 500 per day, a huge burden avoided by the automation introduced with SAP Business One. The company is about to open its own retail outlets for the first time and will count on timely, detailed shoe sales reports generated by SAP software to optimize stocking and product placement decisions.

As its next step, Skechers USA Italia is planning to stop using printed copies to fulfill its invoice archiving requirements and employ optical storage instead, using SAP Business One and a new product from InformEtica. “We'll save even more time, money, and trees,” says Stella in conclusion. “SAP Business One has done an excellent job of supporting our growth. We are very pleased with our decisions.”

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less for postage than Skechers USA Italia was spending on individual stamps.

To make use of this service, Skechers USA Italia configured SAP Business One and InviOne to automatically extract

The software allows the company to better manage finance, sales, marketing, distribution, vendor management, inventory monitoring, and more. The firm conducts marketing campaigns several times a year, often in conjunction with trade



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